STAND. COM. REP. NO. 2098

Honolulu, Hawaii

FEB 0 6 2014

RE: S.B. No. 2540

S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Madam:

Your Committees on Human Services and Public Safety, Intergovernmental and Military Affairs, to which was referred S.B. No. 2540 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

beg leave to report as follows:

The purpose and intent of this measure is to assist low income and homeless individuals and families in obtaining affordable rental housing by establishing a rental deposit loan program within the Hawaii Housing Finance and Development Corporation.

Your Committees received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation; City Council, City and County of Honolulu; Hawaii Appleseed Center for Law and Economic Justice; Housing Hawaii; Community Alliance for Mental Health; Citizens for Equal Rights; Hawaii Substance Abuse Coalition; and three individuals. Your Committees received comments on this measure from the State Procurement Office.

Your Committees find that one of the major barriers encountered by low income individuals and families who desire to move or who are residing in transitional or temporary housing and seek permanent housing is the necessity of paying a security deposit and first month's rent. This barrier is profound in Hawaii, as twenty-two percent of the State's families qualify as working poor. A recent survey found that there are approximately 85,000 households in the State that are two or three paychecks

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away from becoming homeless. In addition, testimony on this measure indicates that many families desire to move closer to work but cannot afford to do so due to the costs of moving. Your Committees find that a rental deposit loan program that assists with payment of security deposits and first month's rent for struggling low income residents will help the State's poor in obtaining adequate and stable permanent rental housing.

Your Committees have amended this measure by:

- (1) Amending language relating to the administration of the rental deposit loan program so that it no longer requires contracting with counties, and instead requires the Hawaii Housing Finance and Development Corporation to contract with nonprofit agencies pursuant to chapter 103F, Hawaii Revised Statutes;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Public Safety, Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2540, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2540, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Human Services and Public Safety, Intergovernmental and Military Affairs,

WILL ESPERO, Chair

SUZANNE CHUN OAKLAND, Chair

The Senate Twenty-Seventh Legislature State of Hawai'i

Record of Votes Committee on Human Services HMS

Bill / Resolution No.:* SB 2540	Committee Referral: HMS/PSM, WAM Date: 1/20/14							
The committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye	Aye (WR)	Nay	Excused			
CHUN OAKLAND, Suzanne (C)		\checkmark						
GREEN, Josh (VC)					✓			
KIDANI, Michelle N.		\checkmark						
TANIGUCHI, Brian T.		✓			····			
SLOM, Sam								
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TOTAL		3	6	0	2			
Recommendation: Adopted Not Adopted								
Chair's or Designee's Signature:								
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy								

*Only one measure per Record of Votes

The Senate Twenty-Seventh Legislature State of Hawai'i

Record of Votes Committee on Public Safety, Intergovernmental and Military Affairs PSM

Bill / Resolution No.:* SB 2540	Committee Referral: Date: 1/28/14							
The committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye	Aye (WR)	Nay	Excused			
ESPERO, Will (C)					<u>.</u>			
BAKER, Rosalyn H. (VC)								
GALUTERIA, Brickwood					/			
GREEN, Josh		V						
SLOM, Sam								
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TOTAL		3		. —	2			
Recommendation: Adopted Not Adopted								
Chair's or Designee's Signature: Kuruly H Bill								
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